

Cardholder Agreement

WOODFOREST NATIONAL BANK

Discover® Network Card

Effective October 1, 2007

This credit card account ("Account") is provided by Woodforest National Bank. Your contract with us is contained in this Cardholder Agreement and your application or solicitation response for the Account (together, the "Agreement"). Please read the Agreement and keep it for your records. In this Agreement and unless the context indicates otherwise, the words "you," "your" and "yours" mean the Cardholder(s) and each person(s) who use(s) any Card or Account with your permission. The words "we," "us," "our" and "Bank" mean Woodforest National Bank and its successors and assigns. You agree to the terms and conditions of this Agreement when a Cardholder, or a person who you authorize (an "Authorized User"), accepts, signs or uses the Card or Account.

Terms and Conditions

This Agreement governs the terms and conditions of your Account with us. Customers are given this Agreement when approved for an Account, or on request. By opening an Account and making Transactions (as defined below), you agree to use this Account only for personal, family or household purposes and to comply with, and be bound by, this entire Agreement. You should retain and carefully review this entire Agreement. You and we agree as follows:

1. Accepting this Agreement. This Agreement will be effective on the earlier of the date (a) you sign or otherwise submit an application for the Account that we approve; or (b) you use, or someone authorized by you uses, the Card or the Account. You acknowledge and agree that any use of a Card, signing of an Account application or other document, or other acceptance of the Account or the Card constitutes your acceptance of the terms and conditions of this Agreement.

2. Promise to Pay. By using your Card or your Account, you agree to pay us an amount equal to the sum of all Transactions made in connection with, and posted to, your Account plus any **FINANCE CHARGES** (as defined below), fees and other charges provided for in this Agreement, regardless of the medium by which the Transaction occurs. If two or more persons establish your Account, each of you, together and individually, is responsible for all amounts owed, even if the Account is used by only one of you.

3. Your Responsibility. You are responsible for all Transactions and other transactions arising from the authorized use of your Account or Card by you by any means. If you have authorized another person to use your Account or Card in any manner, that authorization will be deemed to include the authorization to make Transactions of any kind using your Account or Card and to incur related fees and charges, and such authorization will be deemed to continue until you have taken all steps necessary to revoke it by preventing such use by that person. We are not responsible for controlling any person who you have asked us to add to your Account or someone you let use your Account or Card. If you let someone use your Account or Card, you are responsible for all Transactions made in connection with, and posted to, your Account plus all **FINANCE CHARGES**, fees and other charges. If you wish to remove such person's ability to use your Account or Card, you must notify us in writing. No such notice will be effective until we receive and have had a reasonable opportunity to act on it.

How to Use Your Card and Access Your Account

4. Credit Limit. You agree that we may establish an Account credit limit and that the sum of all Transactions made in connection with, and posted to, your Account, plus any **FINANCE CHARGES**, fees and other charges provided for

in this Agreement, will not exceed your Account credit limit as communicated to you from time to time. Your initial Account credit limit will be disclosed in the document that accompanies your Card. The difference between the balances you owe us and your Account credit limit is referred to as your "Available Credit Limit". We may refuse to authorize or accept any Transaction on your Account or Card that would cause you to exceed your Available Credit Limit. If we in our sole discretion decide to authorize or accept a Transaction on your Account or Card that would exceed your Available Credit Limit, we will not be liable to you if we do, and you agree that we may charge your Account the amount of the Transaction and an overlimit charge and other related fees provided for in this Agreement, request that you immediately repay us the amount in excess of your Available Credit Limit, suspend your Account or Card privileges and terminate this Agreement in a manner provided by this Agreement. We may from time to time and in our sole discretion change your Account credit limit, reduce your Account credit limit to \$0 and close your Account, or limit the number or amount of Transactions on your Account based on an evaluation of various factors, including your credit history and your ability to repay amounts owed in connection with the Account or Card. We will promptly notify you in the event we decide to take such action on your Account.

5. Purchases and Cash Advances. You may use your Account and your Card to purchase or obtain goods or services (each, a "Purchase") by presenting your Card or your Account to participating merchants and establishments where the Card is honored. You may also use your Account to transfer balances from other creditors, to make other transactions by means of balance transfer coupons or checks, or for any other transactions that we encourage you to make through an introductory or promotional offer, each in accordance with such additional terms and conditions as we may offer from time to time. Unless we tell you otherwise, we will also treat any such balance transfer or other transaction as a Purchase. You may also use your Card (a) to obtain a loan from your Account; (b) by presenting it to any bank or other person that accepts the Card for the purpose of obtaining cash or cash-like equivalents (for example, money orders, traveler's checks or other payment instruments) from your Account; (c) to make a withdrawal of cash from an automated teller machine ("ATM"); or (d) to make a person-to-person transfer conducted through the Internet or otherwise (each such transaction, a "Cash Advance"). We will also treat as a Cash Advance any transaction using a Convenience Check (except for Convenience Checks issued to you as part of a promotional offer which, unless we tell you otherwise, will be treated as Purchases). Purchases and Cash Advances are collectively referred to as "Transactions". You acknowledge and agree that any debt incurred using your Account or your Card is valid, regardless of the purpose of the Transaction. We may, from time to time, limit the type, number and dollar amounts of any Transactions made using your Account or Card, notwithstanding the amount of your Available Credit Limit, and terminate or suspend your use of your Account and Card and the operation of any method of access to your Account. You may not use your Card or Account for gambling or gaming, of any type or nature, and we may restrict your use of the Card or Account for such purposes. Additional, you may not use your Card or Account for any illegal activity or transactions.

6. Convenience Checks. We may issue Convenience Checks to you that may be used to access your Account. Any Convenience Check that we pay will be posted to your Account as a Cash Advance (except for a Convenience Check issued to you as part of a promotional offer which, unless we tell you otherwise, will be treated as a Purchase) and will be deducted from your Available Credit Limit. Each Convenience Check must be denominated in United States (U.S.) dollars and completed and signed by you in the same manner as a personal check. If we provide you with Convenience Checks for your Account, you may not use them to pay any amount you owe under this Agreement. You may re-

quest a stop payment on any Convenience Check; however, we may apply a fee for such. We reserve the right to return any Convenience Check unpaid if (a) the amount of the Convenience Check exceeds your Available Credit Limit; (b) your Account is not in good standing or you are otherwise in default of this Agreement; or (c) you use a Convenience Check to pay any amount you owe on your Account. We will not be liable if we choose to return any Convenience Check unpaid.

7. Other Uses. We may make other methods of accessing your Account available to you from time to time. We will notify you of these other access methods as they become available.

Lost Cards, Unauthorized Use of Account or Card and Other Concerns

8. Unauthorized Use of Your Account or Card. You agree to promptly notify us if you believe that your Card has been lost or stolen or that someone has used or may use your Card or your Account without your permission by calling the Woodforest National Bank Card Center at 1-866-382-4048, or by writing to the Woodforest National Bank Card Center, P.O. Box 3038, Evansville, Indiana 47730-3038. **YOU SHOULD NEVER WRITE YOUR PERSONAL IDENTIFICATION NUMBER (PIN) ON YOUR CARD OR KEEP ANY WRITTEN RECORD OF IT ON ANY MATERIAL THAT IS KEPT WITH YOUR CARD.**

You agree to assist us in determining the facts, circumstances and other pertinent information related to any loss, theft or possible unauthorized use of your Account or Card and to comply with such procedures as we may require in connection with our investigation, including the filing of one or more reports with the appropriate law enforcement authorities. You acknowledge and agree that we will deem any such use as having been authorized by you, and you will be liable for the amount of any Transactions plus **FINANCE CHARGES** and fees and other charges incurred with any such use, if you fail to provide us with any such assistance or to comply with such procedures.

You acknowledge and agree that unauthorized Card or Account use does not include use of your Card or your Account by any person to whom you have given authority to use your Card or Account. You further acknowledge and agree that you will be liable for all use by such a person, even if that person exceeds your authorization, until you have provided us with written notice that such person is no longer authorized to use your Account or Card and we have had a reasonable opportunity to act upon such notice.

9. Third-Party Claims or Defenses. We are not responsible if a third party refuses to accept or honor your Card or Account, even if you have sufficient available credit, and except as required by applicable law, we will not be responsible for any claim or defense you may have against any third party that arises out of or in connection with any Transaction with your Account or Card or any services or goods or other property purchased or leased using your Account or Card.

Paying Your Bills

10. Periodic Account Statements. Except as otherwise stated in this Agreement, we will send you periodic Account Statements ("Account Statement"). Unless you make other arrangements with us, your Account Statement will be mailed to you by regular mail to your address as it appears in our records.

We will send your Account Statement for each billing cycle at the end of which your Account has a debit or credit balance in excess of \$1.00 or on which a **FINANCE CHARGE** has been imposed.

Your Account Statement will show all Transactions that have been posted to your Account since your last Account Statement, the payments and adjustments to your Account, the **FINANCE CHARGES** assessed for Transactions, any fees charged to your Account (the foregoing shall be collectively referred to as the "New Balance"), the outstanding balances on your Account, your Account credit limit and Available Credit Limit, the Minimum Amount Due and the Payment Due Date.

11. Payments. Your payment is due on or before the Payment Due Date shown on your Account Statement. You must pay at least the Minimum Amount Due shown on your Account Statement on a monthly basis by the Payment Due Date, which, except as stated below under the section entitled Prepayment, will be the greater of (a) the sum of all **FINANCE CHARGES** then due and owing plus all fees then due and owing plus one percent (1%) of the outstanding principal balances or (b) \$15.00. Any New Balance under \$15.00 is payable in full. The minimum payment also will include any amount past due and any amount by which an account exceeds its Account credit limit.

You agree to make all payments by check or other negotiable instrument drawn on a U.S. financial institution located in the U.S. or by money order. Payments must be denominated in U.S. dollars. All payments, except disputed payments, must be mailed or delivered to us at the remittance address indicated on the front of your Account Statement ("Payment Address"). Any payments received after 3:00 p.m., Central Time on any business day, will be credited on the next business day. When you provide a check as payment, you authorize us either to use information from your check to make a one-time electronic fund transfer from your account or to process the payment as a check transaction. If a payment is processed as an electronic fund transfer, the transfer will be for the amount of your check. When we use information from your check to make an electronic fund transfer, funds may be withdrawn from your account as soon as the same day you make or we receive your payment and you will not receive your check back from your financial institution.

Credit to your Account may be delayed for up to 5 days if the payment is (a) not received at the Payment Address indicated on your Account Statement, (b) not made in U.S. dollars drawn on a U.S. financial institution located in the U.S. or by money order, or (c) not accompanied by the top portion of your Account Statement. Delayed crediting may cause you to incur additional fees and **FINANCE CHARGES**. (You understand that payments may not be made, and may not be deemed received by us, at any location other than the Payment Address.)

We reserve the right to apply payments and other credits to your Account in any manner that we may choose in our sole discretion. All credits for payments to your Account are subject to final payment by the institution on which the item of payment was drawn. Although we may post payments as of the date we receive them, your Available Credit Limit may not be restored for up to 5 days after we receive your payment.

12. Prepayment. You may pay without penalty all or a portion of the entire New Balance or more than your Minimum Amount Due. You understand that by making a prepayment, the total amount you owe us will be reduced but that you will not be relieved of your obligation to continue to pay the Minimum Payment Due in successive billing cycles as reflected in your Account Statement.

Determination of Finance Charges

13. Daily Periodic Rate. The Daily Periodic Rate is 1/365th of the corresponding **ANNUAL PERCENTAGE RATE ("APR")** rounded to the nearest 1/100,000th of 1%, not to exceed the maximum allowed by applicable law. If the daily periodic rates and corresponding **ANNUAL PERCENTAGE RATES** increase, the **FINANCE CHARGE** will increase and your minimum payment due may be greater. If the **FINANCE CHARGE** is less than \$1.00 in any billing cycle, we assess a minimum **FINANCE CHARGE** of \$1.00.

14. Annual Percentage Rate (APR)

(a) The following information applies to your Account:

APR for Purchases and Cash Advances. Your current **APR** and corresponding Daily Periodic Rate for Purchases and Cash Advances will be disclosed in the Account application or the document that accompanies your Card. The **APR** on your Account, which is based on the WSJ Prime Rate (as defined below) plus a margin, shall not be lower than **16.99%** (corresponding Daily Periodic

Rate of **0.04654%**) and not exceed **23.00%** (corresponding Daily Periodic Rate of **0.06301%**). Please see the section entitled Variable **APR** for Purchases and Cash Advances for details regarding how this rate may change. The WSJ Prime Rate means the highest prime rate published in The Wall Street Journal on the day the rate is determined (or the previous day on which The Wall Street Journal was published if the paper is not published on that day). The date the rate is determined is the fifteenth (15th) calendar day of each month.

Variable APR for Purchases and Cash Advances. The **APR** for Purchases and Cash Advances is based on the WSJ Prime Rate plus a margin. We will calculate the rate monthly by adding the margin applicable to your Account to the WSJ Prime Rate. This **APR** may vary (increase and decrease). Any increase or decrease in the WSJ Prime Rate will result in an increase or decrease in your Daily Periodic Rate and the **APR**, and as a result, the **FINANCE CHARGE** and the Minimum Amount Due will change and may result in a smaller part of your payment being applied to reduce principal.

Changes to the Daily Periodic Rate and corresponding **APR** for Purchases and Cash Advances will be applied, as applicable, to your existing Account balance and to subsequent Transactions effective as of the first day of the billing cycle immediately following the month in which we calculate the rate. Subject to applicable law, we may change the Daily Periodic Rate and corresponding **APR** for Purchases and Cash Advances if you are in default of this Agreement, or if we in our sole discretion and from time to time decide to take such action. (Please see the sections of this Agreement entitled Changes to this Agreement and Default.)

(b) Introductory Purchase, Balance Transfer and Promotional APR Offers.

At our discretion, we may offer you an introductory or promotional **APR** for all or a part of your Transactions. For example, we may offer you a promotional **APR** to encourage specific transactions, such as transferring balances from accounts you have with others, or an introductory purchase **APR** to open an Account and to make Purchases. The period of time for which the introductory or promotional **APR** applies may be limited. Any introductory or promotional **APR** offer will be subject to the terms of the offer and this Agreement. If applicable, information regarding any introductory or promotional **APR**, the corresponding Daily Periodic Rate, and the period of time during which they are in effect will be disclosed in the Account application, the document that accompanies your Card, or in materials we send you about the offer after you obtain your Card.

(c) APR for Delinquency.

We reserve the right to increase the **APR** to a fixed **ANNUAL PERCENTAGE RATE** of **24.99%** (corresponding fixed Daily Periodic Rate of **0.06846%**) to the existing balance of your Account and to all subsequent Transactions posted to your Account if you fail to pay the Minimum Amount Due for two consecutive billing cycles. Once you become subject to this fixed **APR** and Daily Periodic Rate, we may change your **APR** back to the respective **APR** for your Account but only if you bring your Account current and then pay at least the Minimum Amount Due by the Payment Due Date for six (6) consecutive billing cycles.

15. FINANCE CHARGES

(a) Purchases. No Finance Charge will be imposed on Purchases if the New Balance shown on your Account Statement is paid in full within 25 calendar days from the billing date. If not paid in full, a **FINANCE CHARGE** will be imposed, from the date of posting of the Transaction, to the average daily balance for Purchases at the **APR** for Purchases until the date payment in full is posted to your Account.

(b) Cash Advances. A **FINANCE CHARGE** will be imposed on Cash Advances from the date the Cash Advance is included in the average daily balance for Cash Advances at the **APR** for Cash Advances until the date payment in full is posted to your Account. There is no grace period or time period within which to pay to avoid a **FINANCE CHARGE** on Cash Advances.

16. Balance Subject to Finance Charge (Average Daily Balance). The total **FINANCE CHARGE** for your Account for a billing cycle is the sum of the **FINANCE CHARGE** for Purchases and the **FINANCE CHARGE** for Cash Advances. We calculate the **FINANCE CHARGE** as follows:

We maintain and calculate separate daily balances for your Purchases, Cash Advances and promotional balances (each a "Balance Type") and calculate a daily balance for each. To get the daily balances, we take the beginning balance for each Balance Type every day (unless, as to Purchases, your previous Account balance was paid in full by the Payment Due Date), which may include unpaid **FINANCE CHARGES** from previous billing periods, and any new transactions, any new fees, and any **FINANCE CHARGE** on the previous day's balance, subtract any credits or payments credited as of that day, and make other adjustments. A credit balance is treated as a balance of zero. The balances subject to **FINANCE CHARGES** for the billing period are the average daily balances for each Balance Type. If you multiply the average daily balance by the number of days in the billing period and the applicable Daily Periodic Rate, the result is the periodic **FINANCE CHARGE**, except for minor variations caused by rounding.

17. Fees. Subject to applicable law, you agree that we may, and you authorize us to, charge against your Account, the following fees in connection with the use of the Account or Card:

(a) Annual Fee. Certain Cards have an annual fee. If your Card has an annual fee, the amount of the annual fee is disclosed in the application for your Account. This fee is assessed for the use of the Account and associated services, and will be identified as a Purchase on your Account Statement in the first billing cycle after you open your Account and annually thereafter.

(b) Cash Advance Fee. There is a Cash Advance fee equal to the greater of \$5.00 or 3% of the total dollar amount advanced for each Cash Advance on your Account.

(c) Late Payment Fee. If we do not receive the Minimum Amount Due by the Payment Due Date, there is a late payment fee of \$30.00, at that time and at monthly intervals thereafter as long as your Minimum Payment Due remains past due.

(d) Over-the-credit-limit Charge. There is an overlimit charge of \$30.00 if you exceed your Available Credit Limit during any billing cycle.

(e) Returned Payment Fee. There is a returned payment fee of \$29.00 each time a check or other instrument you have used for payment on your Account has been returned to us unpaid for any reason.

(f) Foreign Currency Transaction Fee. There is a foreign currency transaction fee of an additional two percent (2%) of the gross amount provided to us by the Card association (or its affiliate).

(g) Documentation Fee. We will provide copies of billing statements, sales drafts and payment instruments ("Items") to you upon request. We will impose a fee of \$5 for each copy of an Item unless prohibited by applicable law. This fee will be added to the Purchase balance in the Account. We will not impose any fee if your request is made in connection with written notice of a billing error.

(h) Replacement Card Fee. We may charge you a fee of \$12.00 for each replacement card we issue to you.

(i) Returned Convenience Check Fee. There is a returned payment fee of \$29.00 each time a Convenience Check used to access your Account is not honored for any reason.

(j) Stop Payment Fee. There is a stop payment fee of \$25.00 per item each time you instruct us to stop payment on a Convenience Check.

18. Foreign Currency Transactions. If a transaction is made in a foreign currency, we and Discover® Network ("Discover Network"), will convert the transaction into a U.S. dollar amount. Discover Network will act in accordance with their operating regulations or conversion procedures in effect at the time the

transaction is processed. Currently, their regulations and procedures provide that the currency conversion rate they use is either (1) a wholesale market rate or (2) a government-mandated rate in effect one day prior to the processing date. Discover Network may increase this conversion rate by one percent and keep this increase. We increase the conversion rate provided to us by Discover Network by two percent (2%) and keep this increase. The currency conversion rate calculated in this manner that is in effect on the processing date may differ from the rate in effect on the transaction date or the posting date.

Our Rights and How They Affect You

19. Delay in Enforcement. We may at any time and in our sole discretion delay or waive enforcing any of our rights or remedies under this Agreement or under applicable law without losing any of those or any other rights or remedies. Even if we do not enforce our rights or remedies at any one time, we may enforce them at a later date. For example, we may accept late payments or payments that are marked "payment in full" or with other restrictive endorsements without losing any of our rights under this Agreement.

20. Termination. Subject to applicable law, we may terminate this Agreement or revoke your right to use your Account or Card, along with your right to make future Transactions, at any time and for any reason including, without limitation, if you cease to maintain an active depository account relationship, in good standing, with the Bank. You may terminate your Account and use of the Card at any time by writing to the Woodforest National Bank Card Center, P.O. Box 3038, Evansville, Indiana, 47730-3038. Any request by you to terminate your Account will be effective only after we have had a reasonable opportunity to act on such request. The termination of this Agreement, whether initiated by us or you, will not affect any of your or our rights and obligations under this Agreement, including without limitation, your obligation to repay any amounts you owe us according to the terms of this Agreement, and any amendments made to this Agreement, which have arisen before the effective date of the termination of this Agreement, even if we allow a Transaction to be processed or posted with your Account or Card after this Agreement has been terminated. You agree to surrender to us or to destroy all of the Cards issued on your Account on our demand or on termination of this Agreement. If this Agreement is terminated and someone thereafter attempts to use a Card, the Card may be retained. A Card may not be returned or may be retained when you try to use it upon the occurrence of certain other events.

21. Default. Subject to applicable law, your Account will be in default under this Agreement if any one of the following occurs: (a) you become generally unable to pay your debts, (b) you die or are declared legally incompetent, (c) you use a check or instrument for payment which is dishonored, (d) you fail to pay the Minimum Amount Due on or before your Payment Due Date, (e) any other creditor tries by legal process to take money of yours in our possession, (f) a petition is filed or other proceeding is commenced by or against you under the federal bankruptcy act or any other applicable federal or state insolvency laws, (g) you provide us with any false or misleading information, (h) you breach any of your other obligations under this Agreement, (i) you exceed your Account credit limit, (j) you are in default of any other credit agreement you have with any of our affiliates, or (k) we believe in good faith that the chances of your paying or performing your obligations under this Agreement have been impaired. The payment by you of any fee charged by us will not cure any default which caused the fee. If you fail to pay the Minimum Amount Due for two consecutive billing cycles, we will apply the fixed Daily Periodic Rate and corresponding fixed **APR** described in the section entitled **APR** for Delinquency.

In addition, if your Account is in default under this Agreement, we may, subject to applicable law, (a) declare all or any portion of your outstanding Account balance to be immediately due and payable, (b) allow you to repay your Account

subject to the terms and conditions of this Agreement, (c) immediately terminate your Account and cancel all Cards issued on it, (d) reduce your Account credit limit or otherwise limit your ability to make Transactions as discussed in this Agreement, (e) commence an action against you to collect all amounts owed in connection with this Agreement, or (f) increase the **APR** for Purchases and Cash Advances. We also may charge you court costs and reasonable attorney's fees that we actually incur as permitted by applicable law, if your Account is sent for collection to an attorney who is not our salaried employee. We will not be obligated to honor any attempted use of your Card or your Account if your Account is in default, or we have determined to terminate your Account or limit your ability to make Transactions as discussed in this Agreement. Except as otherwise provided for in this Agreement, **FINANCE CHARGES** will continue to accrue at the **APR** in effect at the time of default until your total Account balance, including such accrued **FINANCE CHARGES**, is paid in full. You agree that, subject to applicable law, if your Account is in default under this Agreement, you will accept calls from us at your home and your place of business regarding collection of your Account. You understand and agree that the calls to your home may be automatically dialed and a recorded message may be played. You agree such calls will not be considered "unsolicited" calls or telemarketing calls for purposes of state or federal law.

22. Re-evaluation of Financial Condition and Credit History. We may re-evaluate your financial condition and investigate any information you provided on your Account application at any time, and in the course of doing so, we may obtain a current credit report and ask you for any additional information about your financial condition by completing a Personal Financial Statement or such other form that we request from time to time. You authorize us and give us your permission to obtain any information about you that we believe would be beneficial to facilitate our determination of your eligibility (or continuing eligibility) for the Account and the Card, including credit reports from consumer reporting agencies. We may, as a result of any such re-evaluation, deem your Account to be in default.

23. Telephone Monitoring and Recording. You acknowledge that your telephone calls and other communications you provide to us may be monitored and recorded for training and quality control purposes. You agree that we may, and you authorize us to, monitor, record, retain and reproduce your telephone calls and any other communications you provide to us, regardless of how transmitted to us, as evidence of your authorization to act in connection with any transaction with your Account or other service contemplated by this Agreement and will not be liable for any losses or damages that are incurred as a result of these actions. We are not, however, under any obligation to monitor, record, retain or reproduce such items, unless required to do so by applicable law.

24. Arbitration. You and we each agree that any Claim (as defined below) will be arbitrated instead of litigated in court under the circumstances and procedures set forth below. The term Claim (a) means any claim, dispute or controversy between you and us arising from or relating to this Agreement, any prior agreement that you may have had with us or the relationships resulting from the Agreement or any prior agreement, including the validity, enforceability or scope of this provision, the Agreement or any prior agreement and (b) includes claims of every kind and nature, including but not limited to initial claims, counterclaims, cross-claims and third-party claims and claims based upon contract, tort, fraud and other intentional torts, statute, common law and equity. The term Claim is to be given the broadest possible meaning and includes, by way of example and without limitation, any claim, dispute or controversy that arises from or relates to (i) the Account created by the Agreement or any prior agreement or any balances on the Account, (ii) advertisements, promotions or oral or written statements related to the Account or the terms of financing and (iii) your use of the Account. Any Claim will be resolved upon the election of you or us by arbi-

tration pursuant to this provision and the Code of Procedure ("Code") of the National Arbitration Forum ("NAF") in effect at the time the Claim is filed. (If for any reason the NAF is unable or unwilling or ceases to serve as arbitration administrator, another nationally recognized arbitration organization utilizing similar rules and procedures will be substituted by us.) With respect to Claims covered by this provision, a party who has asserted a Claim in a lawsuit in court may elect arbitration with respect to any Claim subsequently asserted in that lawsuit by any other party or parties.

IF ARBITRATION IS CHOSEN BY ANY PARTY WITH RESPECT TO A CLAIM, NEITHER YOU NOR WE WILL HAVE THE RIGHT TO LITIGATE THAT CLAIM IN COURT OR HAVE A JURY TRIAL ON THAT CLAIM, OR TO ENGAGE IN PRE-ARBITRATION DISCOVERY EXCEPT AS PROVIDED FOR IN THE NAF CODE. FURTHER, YOU WILL NOT HAVE THE RIGHT TO PARTICIPATE AS A REPRESENTATIVE OR MEMBER OF ANY CLASS OF CLAIMANTS PERTAINING TO ANY CLAIM SUBJECT TO ARBITRATION. EXCEPT AS SET FORTH BELOW, THE ARBITRATOR'S DECISION WILL BE FINAL AND BINDING. NOTE THAT OTHER RIGHTS THAT YOU WOULD HAVE IF YOU WENT TO COURT MAY ALSO NOT BE AVAILABLE IN ARBITRATION.

The Code, rules and forms of the NAF may be obtained by calling 1-800-474-2371 or by visiting NAF's website at <http://www.arb-forum.com>. All Claims must be filed at any NAF office or at Post Office Box 50191, Minneapolis, Minnesota 55405. There will be no authority for any Claims to be arbitrated on a class action basis. Any arbitration hearing that you attend will take place in the federal judicial district in which you reside. At your written request, we will temporarily advance up to \$500 towards the filing, administrative and/or hearing fees for any Claim that you may file against us after you have paid an amount equivalent to the fee, if any, for filing such a Claim in state or federal court (whichever is less) in the judicial district in which you reside. At the conclusion of the arbitration, the arbitrator will decide who will ultimately be responsible for paying the filing, administrative and/or hearing fees in connection with the arbitration. Unless inconsistent with applicable law, each party will bear the expense of that party's attorneys', experts' and witness fees, regardless of which party prevails in the arbitration.

This provision is made pursuant to a transaction involving interstate commerce and will be governed by the Federal Arbitration Act ("FAA"), 9 U.S.C. §§ 1 et seq., as amended. The arbitrator will apply applicable substantive law consistent with the FAA and applicable statutes of limitations and will honor claims of privilege recognized at law. Judgment upon the award rendered by the arbitrator may be entered in any court having jurisdiction. The arbitrator's decision will be final and binding, except for any right of appeal provided by the FAA and except that, if the amount in controversy exceeds \$100,000, any party can appeal the award to a three-arbitrator panel administered by the NAF, which will reconsider de novo any aspect of the initial award requested by the appealing party. The decision of the panel will be by majority vote. The costs of such an appeal will be borne by the appealing party regardless of the outcome of the appeal.

As solely used in this provision, the terms "we" and "us" will for all purposes mean Woodforest National Bank, all of its parents, wholly- or majority-owned subsidiaries, affiliates, predecessors, successors and assigns, and all of their independent contractors, agents, employees, directors and representatives.

This provision will survive termination of your Account, as well as the repayment of all outstanding amounts incurred in connection with this Agreement. If any portion of this provision is deemed invalid or unenforceable under any law or statute consistent with the FAA, it will not invalidate the remaining portions of this arbitration provision or the Agreement. In the event of a conflict or inconsistency between the NAF Code and this arbitration provision, this provision will govern.

25. Changes to this Agreement. You agree that we may, in our sole discretion, from time to time and subject to applicable law, change any of the terms and

conditions of, or add new terms to, this Agreement relating to your Account (including increasing any rate of **FINANCE CHARGES**, increasing or adding fees or charges (including annual fees), changing the method of computing balances subject to **FINANCE CHARGE**, changing your Account credit limit or changing the date upon which **FINANCE CHARGES** begin to accrue). Any such changes will generally be effective immediately unless we are required by applicable law to provide you with advance written notice of the proposed changes. In such instances, those changes will be effective immediately following the effective date stated in such notice. Subject to applicable law, any such changes will apply to your outstanding Account balance on the effective date of the change and to any future balances created after that date. You will be deemed to accept all such changes accompanying the notice if you do not send us a notice to the contrary in a timely manner, or a Transaction is made using your Account or Card after the conclusion of the time period specified in the notice. No change to any term of this Agreement will affect your obligation to pay all amounts owing under this Agreement.

26. Waiver of Rights. Except as may be prohibited by law or regulation, you agree to waive any right you may have for us to act promptly in bringing any action(s) against you (known as diligence); to demand payments of amounts due (known as presentment); to obtain an official certification of non-payment (known as protest); and to give notice that amounts due will not be paid (known as notice of dishonor or notice of default and non-payment).

27. Change of Address. We will rely on your address as it appears on our records for any and all Account communications we send to you unless and until either you or the U.S. Postal Service notify us of a change of address and we have had a reasonable opportunity to act on such notice. If your Account is a joint Account, each of you appoints the other as your agent to designate the address to which any and all Account communications, including the Account Statement, may be sent to you by us.

28. Correspondence. To the extent permitted under applicable law, any written correspondence you send to us will not be effective until we receive and have had a reasonable opportunity to act on such correspondence. Any written correspondence we send to you will, however, be effective and deemed delivered when mailed to you at your address as it appears on our records.

29. Assignment. You may not sell, assign or transfer your Account or Card or any of your rights and obligations under this Agreement and any such action by you shall be void ab initio. We may, however, sell, assign or transfer your Account, or any balance due thereunder, and our rights and obligations under this Agreement to another bank or company without prior notice to, or consent by, you, which notice or consent is hereby waived. That bank or company will take our place in this Agreement.

30. Severability. If any provision of this Agreement is deemed to be void or unenforceable by a court of competent jurisdiction, or any governmental agency, that provision will continue to be enforceable to the extent permitted by that court or agency, and the remainder of that provision will no longer be considered as part of this Agreement. All other provisions of this Agreement will, however, remain in full force and effect.

31. Governing Law. This Agreement is entered into between you and us in the State of Ohio, and your Account and this Agreement, and any claim, dispute or controversy arising from or relating to your Account or this Agreement, whether based in contract, tort, fraud or otherwise and regardless of the place of your residence, is governed by, and construed in accordance with, the laws of the State of Ohio, without regard to Ohio's conflict of laws principles, and applicable federal laws and regulations. The legality, enforceability and interpretation of this Agreement and the amounts contracted for under the Agreement also are governed by Ohio law and all amounts granted under this Agreement are extended from the State of Ohio.

32. Entire Agreement. You acknowledge that this Agreement (which will be deemed to include all related sales slips, disclosures and/or applications for any Card or Account), as amended from time to time, is the entire agreement between you and us and supersedes and may not be contradicted by evidence of any prior or contemporaneous written or oral communications and understandings between you and us concerning the Account and/or the Card.

YOUR BILLING RIGHTS

KEEP THIS NOTICE FOR FUTURE USE

This notice contains important information about your rights and our responsibilities under the Fair Credit Billing Act.

Notify Us In Case of Errors or Questions About Your Bill. If you think your bill is wrong, or if you need more information about a transaction on your bill, write us on a separate sheet at the address for billing inquiries shown on your Account statement, not the Payment Address. Write to us as soon as possible. We must hear from you no later than 60 days after we sent you the first bill on which the error or problem appeared. You can telephone us, but doing so will not preserve your rights.

In your letter, give us the following information:

- Your name and Account number.
- The dollar amount of the suspected error.
- Describe the error and explain if you can why you believe there is an error.

If you need more information, describe the item you are not sure about.

If you have authorized us to pay your credit card bill automatically from your savings or checking account, you can stop the payment on any amount you think is wrong. To stop the payment your letter must reach us three business days before the automatic payment is scheduled to occur.

Your Rights and Our Responsibilities After We Receive Your Written Notice. We must acknowledge your letter within 30 days, unless we have corrected the error by then. Within 90 days, we must either correct the error or explain why we believe the bill was correct. After we receive your letter, we cannot try to collect any amount you question, or report you as delinquent. We can continue to bill you for the amount you question, including **FINANCE CHARGES**, and we can apply any unpaid amount against your Account credit limit. You do not have to pay any questioned amount while we are investigating, but you are still obligated to pay the parts of your bill that are not in question. If we find that we made a mistake on your bill, you will not have to pay any **FINANCE CHARGES** related to any questioned amount. If we did not make a mistake, you may have to pay **FINANCE CHARGES**, and you will have to make up any missed payments on the questioned amount. In either case, we will send you a statement of the amount you owe and the date it is due. If you fail to pay the amount that we think you owe, we may report you as delinquent. However, if our explanation does not satisfy you and you write to us within ten days telling us that you still refuse to pay, we must tell anyone we report you to that you have a question about your bill. And, we must tell you the name of anyone we reported you to. We must tell anyone we report you to that the matter has been settled between us when it finally is. If we do not follow these rules, we cannot collect the first \$50 of the questioned amount, even if your bill was correct.

Special Rule for Credit Card Purchases. If you have any problem with the quality of property or services that you purchased with a Card, and you have tried in good faith to correct the problem with the merchant, you may have the right not to pay this remaining amount due on the property or services. There are two limitations on this right:

(a) You must have made the purchase in your home state or, if not in your home

state within 100 miles of your current mailing address; and

(b) The purchase price must have been more than \$50.

These limitations do not apply if we own or operate the merchant, or if we mailed you the advertisement for the property or services.

33. Questions. If you have any questions about this Agreement or your Card, please contact us at 1-866-382-4048.

34. Section Headings. The Section headings used in this Agreement are only meant to organize this Agreement, and do not in any way limit or define your or our rights or obligations hereunder.

35. IMPORTANT INFORMATION ABOUT PROCEDURES FOR OPENING A NEW ACCOUNT. To help the government fight the funding of terrorism and money laundering activities, U.S. Federal law requires financial institutions to obtain, verify, and record information that identifies each person (individual or business) who opens an account. What this means for you: when you open an account, we will ask for your name, address, date of birth and other information that will allow us to identify you. We may also ask for your driver's license or other identifying information.

36. Miscellaneous. It is not the intention of the parties that anything in this Agreement should result in the assessment of interest, fees or charges in excess of those permitted by applicable law. If any interest, fee or charge assessed under this Agreement is finally determined to be in excess of that permitted by applicable law, the excess amount will be applied to reduce the outstanding balance in your Account or, if there is no outstanding balance, will be refunded to you. You acknowledge and agree that any documentation provided to you which indicates that a Transaction or other transfer was made shall be admissible as evidence of such transaction or transfer and shall constitute prima facie proof that such transaction or transfer was made.